



## **FREQUENTLY ASKED QUESTIONS (FAQS)**

### **First in a Series: Introduction**

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#### **1. How did the new pay plan come about?**

Over the years, state employees have said that the current pay plan is not competitive with the labor market and does not properly compensate employees. In 1998, a special compensation was established by the General Assembly and Governor to recommend improvements. Later that year, compensation issues emerged as a major concern among employees who took part in Governor Gilmore's statewide survey and Town Hall meetings. The new pay plan addresses some of these concerns.

#### **2. What are some of the problems with the current plan?**

- New employees coming into state government often earn the same or higher salaries than employees who have more state experience.
- Pay practices have not been flexible. Employees generally receive salary increases through promotions and reallocations, and employees who do not want to change jobs have not had opportunities to increase their compensation.
- The current pay structure is not competitive with the labor market for many job occupations.

#### **3. What about the problem of new employees making more than long-term employees in the same job?**

The new plan's innovative pay practices will give agencies and managers more flexibility in addressing these long-term salary compression problems. (Watch for future FAQs on pay practices.)

#### **4. Does the new pay plan affect my current employment status?**

No, it does not.

#### **5. Will my current position description or title change?**

Your position description will not change during the conversion. However, your title will change. The current classification system has 1,650 titles, which are being reduced to approximately 300 broader categories called "Roles." As in the current system, when an employee's duties change, the position description will be revised.

#### **6. How will the new compensation plan affect the pay increase I am supposed to receive this fall?**

There will be no impact on the 3.25 percent performance increase scheduled to appear in employees' December 16<sup>th</sup> paychecks. The only changes that will be noticeable by then will be a change in the way your job is described and the way your work performance is to be measured and rated during the upcoming year.

**7. Will there still be a northern Virginia differential?**

Yes.

**8. Does the new pay plan have any affect on health benefits, vacation, sick leave, or retirement?**

No. This new plan does not affect benefits or leave.

**9. Given the open pay ranges, will pay be more negotiable for current employees who are promoted to a new role?**

Yes. In the new system, employees can negotiate their salary to fall anywhere between the minimum of the pay band up to 15% above current salary when they compete for positions.

**10. When will the new pay plan be implemented?**

The first phase of the new plan will be implemented on or about September 25 of this year. It will include the new pay structure (the 9 pay bands), the new classification system (career groups and roles), and the new pay practices. The second phase will include the performance management program, which will be implemented early in 2001, and will affect pay increases authorized by the legislature for November 2001. The amount of these increases will be decided during the 2001 General Assembly session.